



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JAN 27 2017

REPLY TO THE ATTENTION OF:

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Dear (b)(6) (b)(6)

Thank you for your letter of December 7, 2016 regarding the proposed Aquila Resources, Inc. Back Forty open pit zinc, copper, and gold mine near Stephenson, Menominee County, Michigan.

As I discussed in my November 9, 2016 letter to you, the air and water permitting responsibilities for this mine rest with the Michigan Department of Environmental Quality (MDEQ), under delegation or assumption from US EPA. These authorities include implementing Clean Water Act Sections 402 (regulating wastewater discharges to Waters of the United States, including streams and wetlands) and Section 404 (discharge of fill material to Waters of the US).

In your December 7 letter, you expressed concerns about the potential of this mine to impact water resources in the State of Wisconsin. Both the Section 402 and Section 404 programs require MDEQ to consider impacts to and water quality standards of downstream states. The Wisconsin Department of Natural Resources (WDNR) was provided with an opportunity to review MDEQ's draft Section 402 permit and has not, to our knowledge, provided any formal comments on this draft permit. MDEQ is currently reviewing a revised draft Section 404 permit application from the company. MDEQ's future draft permit decision under Section 404 will be subject to public notice and comment. US EPA continues to exercise oversight of both of these MDEQ-led permitting programs for this project. That oversight includes these provisions regarding downstream states.

If you have further questions about US EPA's oversight of MDEQ's surface water permitting process for this project, you may direct them to Krista McKim at 312-353-8270 and mckim.krista@epa.gov. Questions about our oversight of MDEQ's wetland permitting process should be directed to Melanie Burdick at 312-886-2255 and burdick.melanie@epa.gov.

Sincerely,

Alan Walts, Director
Office of Enforcement and Compliance Assurance

CC: Colleen O'Keefe, MDEQ, Land and Water Management Division, Lansing, MI
Phil Argiroff, MDEQ, Water Resources Division, Lansing, MI
Ann Coakley, WDNR, Division of Environmental Management, Madison, WI

Standard bccs: NEPA Read File
Originator's File

Other bccs: Peter Swenson, Watersheds and Wetlands Branch, Water Division
Wendy Melgin, Watersheds and Wetlands Branch, Water Division
Melanie Burdick, Watersheds and Wetlands Branch, Water Division
Kevin Pierard, NPDES Programs Branch, Water Division
Candice Bauer, NPDES Programs Branch, Water Division
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Author: Ken Westlake

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Follow-up Reply on Back Forty Mine, Menominee County, MI

CONCURRENCES

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Initial/Date:	<i>KW</i> 1/24/17	<i>MB</i> 1/24/17	<i>KW</i> 1/24/17		Alan Watts 1/27/17		
Other Concurrences:	K. McKim NPDES Br. Water Div. 1/23/17	M. Burdick Wetlands Sect. Water Div. 1/24/17					